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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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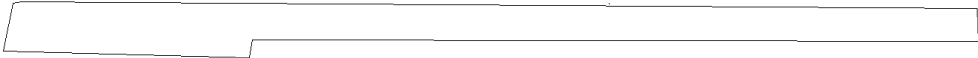
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COUNTRY	East Germany	REPORT		50X1
SUBJECT	Organization and Production of the VEB Lacquer Factory, Berlin-Spindlersfeld	DATE DISTR.	26 March 1954	
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SECURITY INFORMATION

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COUNTRY : East Germany**DATE DISTR.** 8 FEB 54**SUBJECT** : Organization and Production of the VEB
Lacquer Factory, Spindlersfeld, Berlin
(Soviet Sector)**NO. OF PAGES** 18**NO. OF ENCLS.**
(LISTED BELOW)**SUPPLEMENT TO**
REPORT NO.

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THIS IS UNEVALUATED INFORMATION

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Organizational Structure of the SovZone Chemical Industry

1. The entire SovZone chemical industry falls under the jurisdiction of the State Secretariat for Chemistry, which can be defined as a governmental department on a ministerial level. This secretariat is located in the House of Ministries, Leipziger Strasse, Berlin, East Sector. the position of secretary for this department was held by Dr. Werner.
2. This secretariat consists of a number of main departments. One of the departments, Main Department for Organic Chemistry, has offices located at No. 16 Jaeger Strasse in East Berlin. The Director is named DOMNIK, and the Deputy and Technical Director, SCHAURICH, is in charge of the dye and lacquer industry branch. The latter branch of the chemical industry is controlled by a special technical section, Technical Section for Dyes and Lacquers, which is directly subordinate to the Main Department for Organic Chemistry. This special section is headed by Director

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WEBER, who is assisted by his deputy, SCHWAMM. This section is responsible for the technical control and supervision of all of the centrally administered dye and lacquer factories in East Berlin and of those located in the SovZone of Germany. Below is a list of some of the factories governed by this special section:

- (1) Lacquer Factory Spindlersfeld, Berlin East Sector.
- (2) Lacquer and Printing Dyes Factory, one in Berlin-Heinersdorf, the other in Berlin-Weissensee.
- (3) Lacquer and Dyes Factory Leipzig-Leutzsch, subsidiary plant in Moelkau and others.
- (4) Dye Factory Wuenschendorf, near Gera.
- (5) " " Bernsdorf (Oberlausitz).
- (6) " " Fuerstenwalde, near Berlin.
- (7) Lacquer Factory Bad Saarow.
- (8) " " Ilmenau, and partly in Gehren.
- (9) " " Zwickau, Saxony.
- (10) Lacquer and Dyes Factory Nerchau, in Saxony.
- (11) Lacquer Factory Coswig, near Dresden, Saxony.
- (12) " " Erfurt, Thuringia.
- (13) " " Teltow, near Berlin.
- (14) Printing Dyes Factory Ammendorf, near Halle, Saxony-Anhalt, and others.

3. The above organizational structure came into existence after March 1953. Prior to this date, the main administrative department for the VEB Lacquer and Dyes industry branch was located at the Leipzig-Leutzsch factory in Leipzig, Saxony, under the chief director, ROESSLER.

This administrative department was formerly subordinate to the State Secretariat for Chemistry, Stone, and Earth (for manufacturing chemical products). Former state secretary is Dirk van Rickelen. As of March 1953 the latter secretariat was divided into two separate departments. Then State

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Secretariat for Chemistry and State Secretariat for Stone and Earth, with both subdivided into corresponding technical main departments. Following March 1953, the individual factories had greater operational responsibilities than prior to the reorganization.

4. The research and development assignments were performed by institutes in Leipzig and Magdeburg, as well as in laboratories of individual factories, such as Spindlersfeld, Leipzig-Leutzsch, and Teltow. The Leipzig director is Prof. Dr. LEIBNITZ, and the Magdeburg director is Dr. THINIUS. The factories and plants were frequently visited by specialists from various Satellite countries (Poland, Hungary, Czechoslovakia, etc.), who were greatly interested in many of the technological formulas and processes. [redacted] these countries were later allotted many of the chemical processes (formulas) suitable for their respective industry branches.

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General Description of the Spindlersfeld Factory

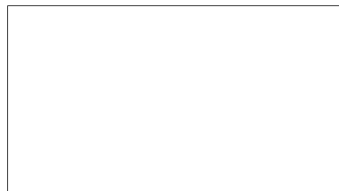
5. At the end of World War II in 1945, the Spindlersfeld Lacquer Factory was 90 percent destroyed. Due to limited funds, the reconstruction of the factory was gradual and slow during the following years. It is believed that now this installation is considered the most modern equipped factory in the SovZone of Germany. The former factory (formerly DUCO) comprised an area of approximately five square kilometers. This factory was formerly known as the Spindler Dyeing and Laundry Plant. Now the lacquer factory occupies an area of approximately two square kilometers. [See page 14 for further description of the area]. Its main production building consists of a tall three-story high brick construction. The factory's main production branches, such as, nitro, oil, and artificial resin lacquers are located in the main building known as the "Hochhaus". [See pages 15, 16 and 17 for detailed descriptions].

ORGANIZATION AND PERSONNEL

Management

6. [redacted] listed below the factory's management and supervisory personnel with [redacted] personal data [redacted]. [See page 18 for a detailed breakdown of the organizational structure].

ADLER, Annemarie Research Lab.



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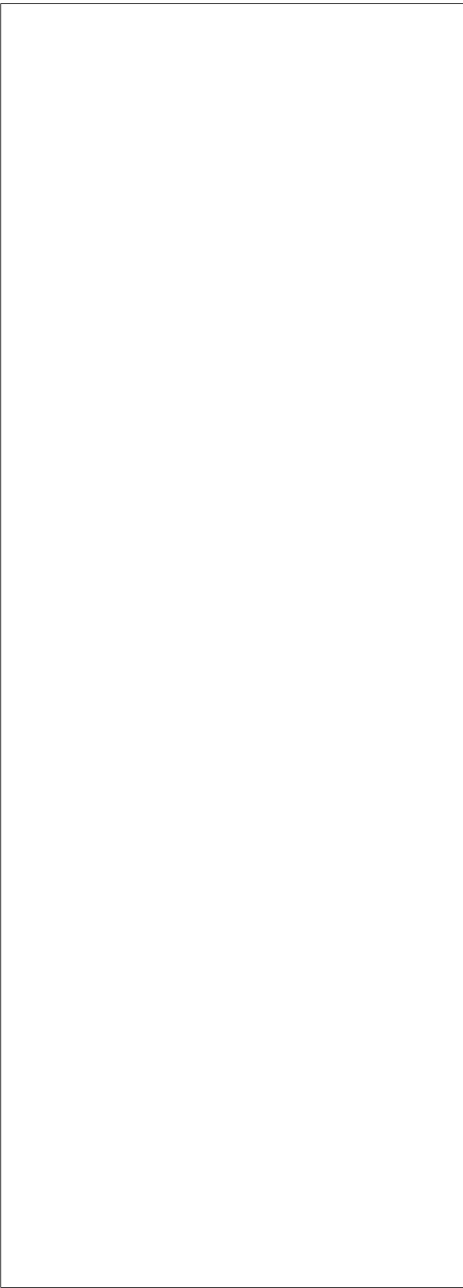


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BUCHHOLZ, Erwin	Chief, Procurement
DAHM, Herbert	Chief, Sales Department
DONKE, Bruno	Chief Master Lacquers and Tech Advisor
ECKERT, Erich	Deputy to KLAUSCH
EISENHART, Elizabeth	Assistant Bookkeeper
EMMERT, Horst	Chief, Shipping Department
HOPPE, Fred	Research Lab.
JOEKS, Joachim	Prod. Guidance Alkydresin and Oil Lacquers
KISTNER, Helmut	Chief, Master Workshops and Power Distrib.
KLAUSCH, Johannes	Preparatory Work Planning Control



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KUSCHFELD, Contract Dept.
(Sales)

LEIB, Bruno SED-Secretary
Security Insp.

NOELTE, Willi Chief, Man-
power control

PAPPMANN, Prod. Guidance
Nitro Lacquers

PREUSS, Chief Book-
keeper

SCHEIBE, Paul Chief, Account-
ing

SEIDEL, Walter Chief Master
Lacquer Boiling
Branch

WIMMER, Rudolf Technical
Director

WITZMANN, Karl Chief of
Personnel

WOHL, Rudolf Director

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Number of Employees

7. A total of approximately 240 employees work at this factory. This includes 15 apprentices in training in Dresden and 5 business apprentices trained on the spot. Technical personnel total 35, business personnel: 45, and production personnel: 140.

The breakdown by sections is as follows:

8. <u>Administration</u>	<u>Professional and Office Personnel</u>	<u>Laborers</u>
Directors Office	2	0
Technical Directors Office	6	0
Bookkeeping	11	0
Planning and Sales	12	0
Mat. Procurement	9	0
General Administration	2	8
Accounting	6	4
Laboratories and Advice	8	6
Raw Material Administration	3	3
Workshops Administration	3	2
Manpower Control	7	2
 <u>Production Branches</u>		
Nitro Solutions	0	8
Ball Milling	0	8
Roller Refinery	0	4
Kneading Machinery	0	10
Grinding Installations	0	12
Lacquer Boiling	1	7
Vat Cleaning Installation	0	13
Forwarding and Transportation	0	12
Shipping	4	8
Bank Storage	0	4
Workshops	0	20
Motor Pool	0	5
 <u>Research and Development</u>	 <u>6</u>	 <u>3</u>
 Totals:	 80	 139

Working Shifts:

9. The normal working time from Monday through Friday is as follows:

0700 - 0900
0915 - 1230
1300 - 1620 hrs.

Saturday

0700 - 0900
0915 - 1220 hrs.

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10. The Lacquers Boiling Branch worked the following shifts:

first shift 0500 - 1300 hrs.
 second shift 1300 - 2100 hrs. (two workers on
 each of the shifts)

11. The Ball Milling Branch worked the following shifts:

first shift 0600 - 1400 hrs. (four workers)
 second shift 2200 - 0600 hrs. (two workers on
 the night shift)

12. The Roller Refinery worked the following shifts:

first shift 0600 - 1400 hrs. (two workers)
 night shift 2200 - 0600 hrs. (one worker)

13. The Kneading Branch worked the following shifts:

first shift 0700 - 1600 hrs. (two workers)
 night shift 2200 - 0600 hrs. (two workers)

(The operations in shifts is dictated to a large extent
 by the availability and distribution of electric power.
 The highest consumption is between 0700 - 0900 and
 1600 - 2100 hrs).

Production Program

14. Annual production is as follows:

3000 tons of lacquers and dyes annually
 500 tons of poly-plastics annually

nitro-lacquers approximately 1200 tons annually
 oil lacquers " 1800 " "
 alkyd lacquers " 1800 " "

(Because of the inconsistency in the raw materials, de-
 livery schedules, planning programs and formula proces-
 ses must be frequently changed).

15. Sales outlets are as follows:

DHZ Berlin-Lichtenberg	Business representation
DHZ Brandenburg	Baby carriage factories
DHZ Rostock	Shipyards
DHZ Magdeburg	Emery paper lacquers
HO - Department Stores	(In 1953, these stores were supplied with approximately 300 tons of men- chandise in small packages. This

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quantity is expected to go up to 500 tons in 1954).

A number of major firms, such as Zeiss-Ikon, Dresden; Richter, Magdeburg; VEB Dralowid Teltow, and others, are supplied directly from the factory sources.

Exports

16. In the middle of 1953, the factory shipped to Hungary approximately 40 tons of alkyd-resin lacquers packed in one kg tin cans.

The Spindlersfeld factory is known for its excellent production of alkyd-resin lacquers (Ducolux).

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Suppliers of Raw Materials

17. Suppliers of raw materials were as follows:

Lithopones	VEB Dye Factory Fuerstenwald, near Berlin
Pigments	VEB Dye Factory Bernsdorf, Oberlausitz
Pigments-Blankfix	VEB Dye Factory Wuenschendorf, near Gera
Adipic Acids, etc.	Leuna Werke (SAG)
Acetates, etc.	Buna Werke (SAG)
NC-Wool	Wittenberg
Oils, assorted types	Oil Refinery, Wittenberg
Phthalic Acids, etc.	Electro-chemical combine Bitterfeld (SAG)

Linseed Oils, Copal resins DIA, German Import and Export.

Technical Difficulties

18. Because of the uninterrupted utilization of the factory's machinery and the lack of suitable substitute equipment, the quality of goods and productive capacity of the plant depreciated considerably. Especially affected were the ball-milling and roller-refinery equipment. The absence of a general water

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cooling system at the plant contributed further to the gradual deterioration of the operational equipment. Until the middle of 1953, only three of the roller refinery machines could be provided with water cooling pipe connections. All available funds were used for the installation of the factory's heating system and the reconstruction of the sprinkling equipment. However, the sprinkling machinery could not be put in operation because of the non-availability of spraying nozzles in the SovZone. In collaboration with the VEB Apolda, such spraying nozzles were developed; Apolda expected to produce 200,000 such nozzles in 1953.

19. There were no centrifugal machines in production in the SovZone. Therefore Dr. LANGE of the firm, Felix Krause, Hainichen, Saxony, developed a centrifugal machine similar to the Westphalian type. Three such machines were produced in 1952, but they could not be properly tested due to the shortage of electro-motors. In the meantime, Dr. LANGE was transferred to the Kyffhaeuserhuetten Artern (SAG) where he has worked since February of 1953, and the firm, Felix Krause, became a VEB operated plant. Therefore, the production of centrifugals was completely stopped, although the demand for such machinery is great in the DDR.

Supply Difficulties

20. Difficulties in the procurement of raw materials were always felt. Deliveries of basic acetates have completely stopped since August 1953. Apparently the Buna Werke, Schkopau, main supplier of these products, found another mode of utilization for these elements. The scarcity of linseed oil became acute during the spring of 1953. All oil refineries in the SovZone were searched for this product, but the results were unsuccessful. It was decided, therefore, to substitute castor oil for linseed oil. Experiments were conducted at the Spindlerfeld factory to use oil sludge waste from the Wittenberg plant. Technically, these experiments were a success. The high acidiferous contents could be lowered, but the cost of the product was disproportionate. The procurement of zinc-white and zinc-oxide also presented difficulties. It appeared that the supplies of these products were almost exhausted in the entire SovZone.
21. There was also a shortage of carbonate of lime (chalk), a product normally obtained from the deposits located on the Isle of Ruegen. This island is known to be occupied by units of the Volkspolizei. This prepared chalk is used largely for the painting of ceilings and similar objects. The scarcity of this product resulted in a considerable decrease in

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renovation of homes. Frequent work stoppages were also experienced in the lacquer boiling room because of the scarcity of dry ice, CO₂. Agefko in Oberschoeneweide, the only supplier of this product in East Berlin, could not deliver this in sufficient quantities. There are only two such plants in the entire SovZone. The output capacity of both plants is not sufficient to supply satisfactorily the Zone's industrial plants as well as the production plants and stores of the HO food concerns. The latter is preferred. To overcome this bottle-neck, the Spindlersfeld factory developed a project whereby nitrogen is delivered to the plant through a system of pipes laid between the Spindlersfeld and the VEB Oxyka, Schoeneweide factories. The latter is located only 3-8 kilometers from Spindlersfeld. The VEB Oxyka's byproduct N₂ is supposedly purified under 2% O₂ contents and compressed to 10 atmospheres. Subsequently, the N₂ product is utilized at the plant as a safety and catalyst gas during the lacquer boiling processes. This project was presumably approved by the SovZone council of ministries which allotted approximately 200,000 eastmarks for further development. [redacted] various experiments conducted on this project met with satisfactory results. In 1953, a new project for the testing of lacquers under difficult climatic conditions was under development. A new vertical boiling system provided with electric resistant heating, reversible cooling apparatus, etc., was also under development in 1953. Because of the shortage of tin cans, the packing of small units is done in glass jars. However, the plant recently developed a plastic type can which is supposed to appear on the market in 1954 in large quantities.

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Consumption of Electric Energy, Gas, and Water

22. The Spindlersfeld factory consumes approximately 22,000 kilowatt hours per month. Of this, 40 per cent is utilized during night work. Beginning in October 1953, it was planned to transfer another 25 per cent for the maintenance of night shifts. The consumption of the monthly quantity of illuminating gas amounted to approximately 8000 - 10,000 m³. Though the quota allotment is controlled, an increase is always possible. The consumption of water is hardly worth mentioning. Requirements may increase when the plant's ball milling and roller refinery installations as well as the sprinkling system go into operation.

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23. sketch of the VEB Lacquer Factory, Spindlersfeld-Berlin. /see page 14/. 50X1-HUM

- Point 1. Main Production Building
"Hochhaus". 3 story high, brick construction.
- Point 2. Centrifugal Machinery Room
Machines and intermediate containers for lacquers.
- Point 3. Small Lacquer Boiling Installation
5 furnaces, each 200 ltrs boiler capacity.
- Point 4. Large Lacquer Boiling Installation
2 large V2A boilers. Dry ice process.
- Point 5. Compressor Room
- Point 6. Alkyd-Resin Installation
- Point 7. Storage Room
Not in operation.
- Point 8. Transformer Station
1 for 180 KVA - 1 for 100 KVA.
- Point 9. Lacquer Storage
Rectangular tanks.
- Point 10. Technical Office
Office of the chief mechanical engineer, foremen, technical personnel, etc.
- Point 11. Workers' Check Room
- Point 12. Machine and Forge Room
- Point 13. Carpenter's Shop
- Point 14. Garage for Tractors
- Point 15. Auto Garage
- Point 16. Fuel Storage Tanks

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- Point 17. Office of the Technical Director
Chief Procurement and Preparatory Work Planning.
- Point 18. Raw Materials Testing Laboratory
- Point 19. Inspection and Testing Laboratory for Finished Products.
- Point 20. Research Laboratory
- Point 21. Offices
Material procurement and preparatory work planning personnel.
- Point 22. Machinery Room
Tumbling machines and small roller drums.
- Point 23. Lacquers' Testing Shop
- Point 24. Shipping Office
Offices and storage.
- Point 25. Raw Materials Storage
- Point 26. Nitro Celullose Storage
New construction built in 1952.
- Point 27. Nitro Pumping Installation
8 Sihi pumps.
- Point 28. Utility Kitchen
Coffee and soft drinks bar.
- Point 29. Roller Refinery
Servicing 6 vats.
- Point 30. Vat Cleaning Installation
- Point 31. Boiler Room II
One-flue boiler, 25 square meters heating surface.
(Area)

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Point 32. Boiler Room I

2 Strebel boilers, 2 Blankenburg boilers.

Point 33. Rest Rooms and Showers

for men and women.

Point 34. Administration Offices

Point 35. Vat Coating Installation

(After cleaning).

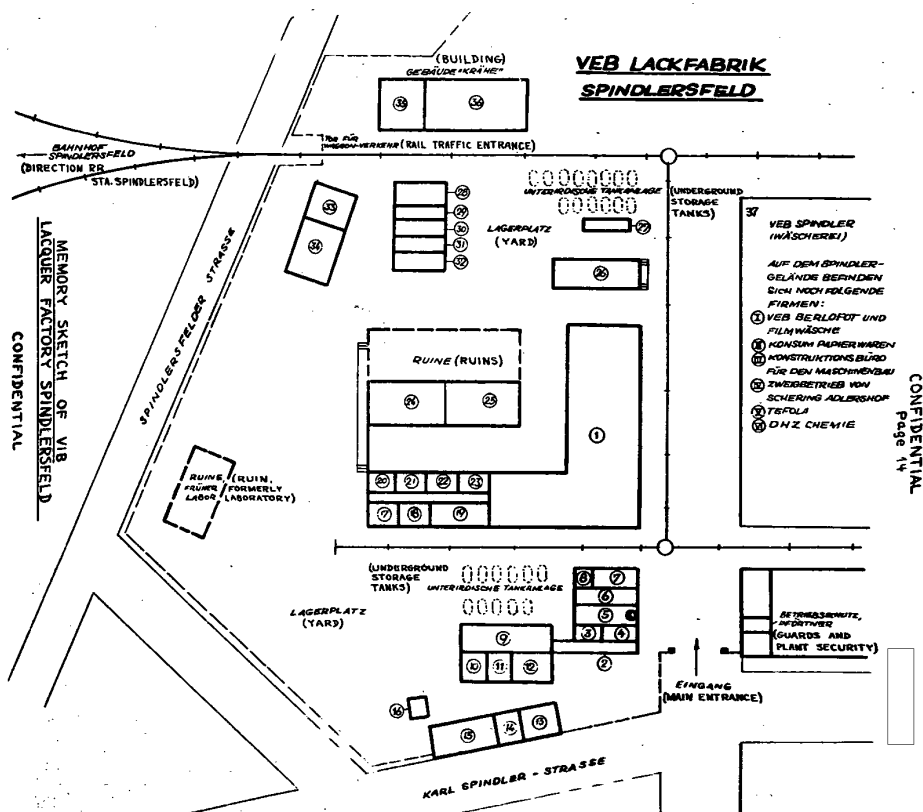
Point 36. Storage of Glass Jars

(Packing of small units).

Point 37. Other factories and installations located within the Spindlersfeld area:

- a. VEB Berlofet and Film Cleaning (old film)
- b. Konsum Paper Wares
- c. Designing Office - Machine Construction
- d. Branch of Schering-Adleryshof
- e. Tefola
- f. DHZ Chemistry

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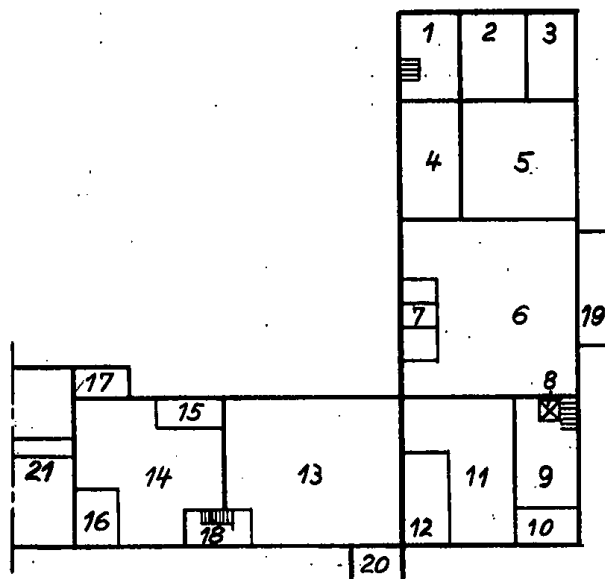
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SKETCH OF GROUND FLOOR
IN
MAIN PRODUCTION BUILDING (HOCHHAUS)
SPINDLERSFELD FACTORY



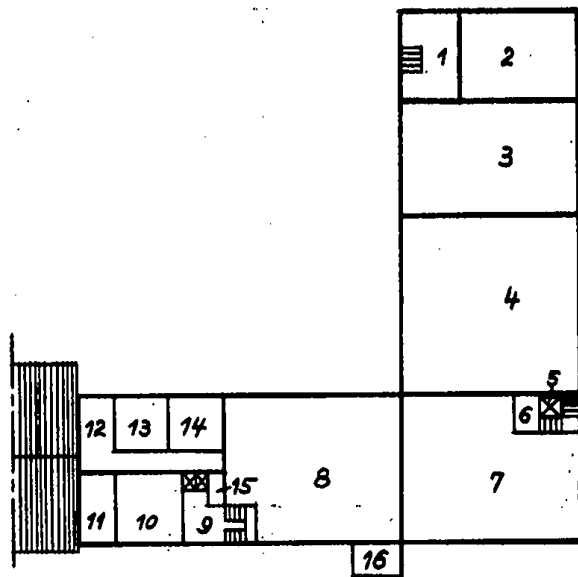
1. Staircase
2. Room for diluting nitro-solutions
3. Press filter installation (not in operation)
4. Kneading machinery room (initial mixing process)
5. Roller refinery branch
6. Filling installation for nitro products
7. Offices
8. Elevator (500 kg lifting capacity)
9. Staircase
10. Reception office for incoming products
11. Filling installation for lacquers
12. Pumping station for the sprinkling system
13. Filling installation for lacquers
14. Storage room for raw materials
15. Room for the sandblast apparatus
16. Paint spraying system (testing)
17. Paint spraying system (development)
18. Staircase
19. Loading platform
20. Pressure tank for the sprinkling system
21. Laboratory

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SECOND FLOOR
IN
MAIN PRODUCTION BUILDING
(HOCHHAUS)



1. Staircase
2. Mixing apparatuses for nitro-lacquers
3. Ball milling section (drainage)
4. Mixing equipment for nitro-lacquers
5. Elevator
6. Staircase
7. Mixing equipment for various lacquers
8. Mixing equipment for various lacquers
9. Staircase
10. Research laboratory
11. Research and development office
12. Paint spraying research
13. Research laboratory
14. Research testing room
15. Photo laboratory
16. Pressure tank for the sprinkling system

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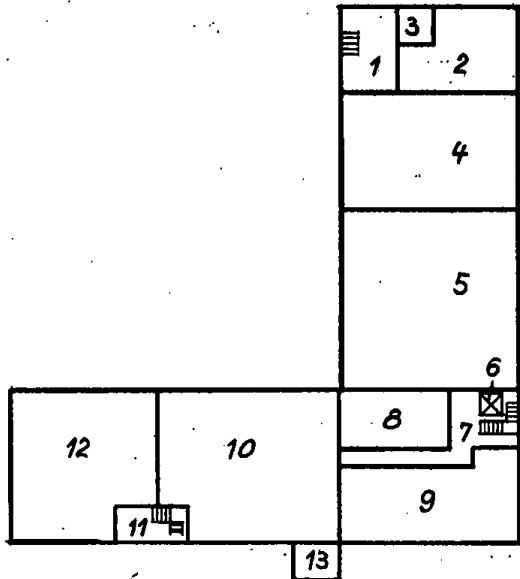
BUILDING

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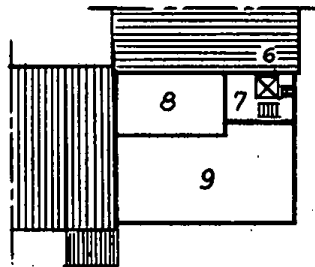
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**THIRD FLOOR
IN
MAIN PRODUCTION BUILDING
(HOCHHAUS)**

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**TOWER TYPE EXTENSION
OF THIRD FLOOR**



- 1. Staircase
- 2. Room for nitro-solutions
- 3. Room for resin-solutions
- 4. Ball milling section (filling)
- 5. Storage room for raw materials
- 6. Elevator
- 7. Staircase
- 8. Water tank for the sprinkling system
- 9. Kneading machinery (for white lacquers)
- 10. Storage room for raw materials
- 11. Staircase
- 12. Meeting hall
- 13. Pressure tank for the sprinkling system

TOWER EXTENSION

- 6. Same as 3rd F.
- 7. " " " "
- 8. " " " "
- 9. Storage room for repair materials

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